

COMMONWEALTH of VIRGINIA

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Department of Alcoholic Beverage Control

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CIRCULAR LETTER 13-2

TO: Wholesale and Retail Licensees

SUBJECT: Wholesaler Participation in Retail-Sponsored Wine Dinners

PURPOSE: The purpose of this circular letter is to give notification and provide an explanation as to why whole-sale wine and beer licensees or their representatives' are not permitted to participate in tasting events (wine dinners) conducted by retail licensees.

BACKGROUND: At a recent meeting attended by wine and beer wholesale licensees, the question was addressed to members of the Bureau's Compliance Unit concerning the legality of wholesale licensees participating in wine dinners sponsored by retail licensees. Those in attendance at this meeting were advised that wholesale licensees or their employees were not permitted to participate in these types of events. Since this meeting, the Bureau of Law Enforcement has received numerous phone calls inquiring as to the reason for not allowing wholesalers to participate in retail-sponsored wine dinners.

HELD: Section 4.1-216 C of the Code of Virginia states in part: "Subject to such exceptions as may be provided by statute or Board regulations, no manufacture bottler, broker or wholesaler of alcoholic beverages whether licensed in this Commonwealth or not, shall rent, lend, buy for or give to any retail licensee ... any money, equipment, furniture, fixtures or property, services or anything of value with which the business of the licensee may be conducted or for any other purpose...." The only exception regarding tasting events is found in section 4.1-209 C of the Code of Virginia, which provides that farm wineries, wineries and breweries may participate in tasting events held by retail licensees. There are no exceptions found in either the Code of Virginia or Board regulations that would allow wholesale licensees to participate in tasting events conducted by retail on-premise licensees (wine dinners).

INQUIRIES: Should you have any questions regarding the information contained in this circular letter, please contact a member of our Compliance Unit at compliance@abc.virginia.gov. You can find a listing of the members of the Compliance Unit on our website at www.abc.virginia.gov > Law Enforcement > Manufacturers/Wholesalers.

W. Curtis Coleburn III

Chief Operating Officer/Secretary to the Board